

**EXHIBIT C**

**2000-2002 Seattle Post-Intelligencer  
and national newspaper articles about Libby**



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SEATTLE POST-INTELLIGENCER

January 22, 2000, Saturday , FINAL

**SECTION:** NEWS, Pg. A1

**LENGTH:** 757 words

**HEADLINE:** GRACE TO PICK UP MEDICAL BILLS IN TAINTED TOWN;  
HUNDREDS POISONED BY ASBESTOS IN LIBBY, MONT., MAY RECEIVE HELP

**BYLINE:** ANDREW SCHNEIDER P-I SENIOR NATIONAL CORRESPONDENT

**DATELINE:** LIBBY, Mont.

**BODY:** W.R. Grace says it will pick up the medical bills for hundreds of people who contracted asbestosis or cancer from asbestos generated at the company's now-closed vermiculite mine near this northwest Montana community.

"Grace takes its responsibilities to the people of Libby and the situation there very seriously," said Paul Norris, Grace's chief executive officer.

In November, the Seattle Post-Intelligencer reported that 192 people had died and 375 more had been diagnosed with fatal diseases stemming from asbestos exposure.

The newspaper documented that tons of asbestos were released into the air over Libby during more than six decades of vermiculite mining at Zonolite Mountain. Grace, which owned the mine for 30 years, closed it in 1990 and sold the property four years later.

After publication of the P-I articles, other victims have contacted health authorities to report asbestosis, lung cancer, mesothelioma or other problems because their hearts have been weakened by their diseased lungs.

"Libby is a unique situation deserving a unique solution," the company chairman added.

Grace will donate \$250,000 a year "for as long as necessary" to Libby's St. John's Lutheran Hospital to provide independent health screening to anyone who wants it, the company said in a statement released at a public meeting Thursday night.

Grace said it also will provide medical coverage to anyone diagnosed with an asbestos-related disease.

"People who have concerns about their exposure to asbestos now will have an independent place to go and be tested," Norris said. "If anyone is diagnosed with an asbestos-related illness, they will have insurance to cover the medical costs of treating it."

Les Skramstad, his wife, Norita, and two of his five children have been diagnosed with asbestosis.

"There are hundreds of people around here who are carrying that asbestos time bomb in their chest. And they need all the help they can get, but some people are a little leery" about Grace's offer, he said.

"In the past, everything that Grace has touched involving health problems at the mine has wound up hurting the miner and his family. Many people need the medical help that (Grace is) offering, but you can understand why some are frightened about the company being involved," Skramstadsaid.

GRACE TO PICK UP MEDICAL BILLS IN TAINTED TOWN; HUNDREDS POISONED BY ASBESTOS IN  
LIBBY, MONT., MAY RECEIVE HELP SEATTLE POST-INTELLIGENCER January 22, 2000, Saturday

Gayla Benefield, who lost her parents to asbestosis, calls Grace's actions "a start in the right direction." But she also advised caution.

"It's been proven that medical testing that Grace did for years was withheld from the people involved," Benefield said.

"The idea of Grace providing health care to the hundreds of people who need it is a very long time coming. But because of the company's history, we all want to ensure that there are absolutely no strings attached. We don't want to see these people hurt again," she said.

Alan Stringer, the last manager of the mine and Grace's representative in the town, said Grace has set no financial ceiling on the medical coverage, and those who accept the medical care won't waive their right to sue the company.

An emergency-response team from the U.S. Environmental Protection Agency, the Public Health Service and other federal and state agencies rushed to Libby within days of the P-I running its articles.

The investigators are trying to determine whether any public health hazards from the asbestos-tainted vermiculite ore remain. Results of the first of what will be months of testing are to be released by month's end.

Rick Palagi, chief executive officer of the town's 29-bed hospital, and Dr. Brad Black, Lincoln County's health officer, estimate that 4,000 people in Libby and the surrounding county are at risk for asbestos-related disease and abnormalities.

The pair have told the government and Montana's congressional delegation that about \$6.8 million would be needed to screen the 4,000 people, treat 1,000 who might have the disease and do medical research on those afflicted.

"This whole thing is like a bowl of spaghetti here," Palagi said. "We're trying to figure out who is going to do what for these people. This offer from Grace is another couple of strands of spaghetti that look pretty darn good."

"There is no doubt that we have many folks here who are hurting. And our job is to try to figure out a way to take care of them," Palagi said. "We'll work with Grace, the government or anybody else to make sure that happens." P-I senior national correspondent Andrew Schneider can be reached at 206-448-8218 or [andrewschneider@seattle-pi.com](mailto:andrewschneider@seattle-pi.com)

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**HEADLINE:** POSSIBLE ASBESTOS CONTAMINATION SHAKES A TINY TOWN;  
HEALTH: REPORTS THAT THE DUST HAS KILLED 200 WORRY RESIDENTS--AND BUSINESS LEADERS,  
WHO FEAR A DEAD TOURIST INDUSTRY.

**BYLINE:** From Associated Press

**DATeline:** LIBBY, Mont.

**BODY:**

Bob and Carrie Dedrick's children are so worried about the hidden threat of asbestos in and around their parents' house that they won't allow the Dedricks' seven grandchildren to visit.

So the Dedricks invited the U.S. Environmental Protection Agency to take dirt from the garden, and air and dust from the house and test them for asbestos.

"Let's find out, let's find out," Bob Dedrick told Montana Gov. Marc Racicot when Racicot went to the house to talk about the couple's fears.

Libby, tucked away in Montana's mountainous northwest corner, is a blue-collar timber and mining town at heart, and it's taken some hard punches in the past decades as those industries tumbled. But with the Cabinet Mountains Wilderness out its back door and the Kootenai River hardly a fly-cast away, the town has worked hard to become a vacation destination and a place for retirement.

Now, with its efforts starting to bear fruit, the town has been shaken by reports that asbestos from an old vermiculite mine killed nearly 200 people, sickened hundreds of others and may pose a continuing health threat. Town boosters fear they are being knocked to their knees once again.

"There's a lot of mixed emotions right now," said Linda Beaulieu, executive director of the Libby Area Chamber of Commerce. "There is much compassion for these families that are ill, but a lot of people feel the facts aren't on the table. Let's not condemn our entire town that has worked so hard to get a place on the map."

Business leaders complain there is a perception that the streets are coated with asbestos from the W.R. Grace and Co. mine, which closed about 10 years ago, and that sickness is everywhere in the town of 2,700 people.

Newspapers in Montana and Washington state reported the asbestos issue in November, quoting medical authorities, survivors of asbestosis and people now suffering from the disease.

The reports prompted a series of environmental tests that will continue at least into the spring. State officials say that until complete test results are in, they won't know the extent of the health risk, if any.

POSSIBLE ASBESTOS CONTAMINATION SHAKES A TINY TOWN; HEALTH: REPORTS THAT THE DUST HAS KILLED 200 WORRY RESIDENTS--AND BUSINESS LEADERS, WHO FEAR A DEAD TOURIST INDUSTRY. Los Angeles Times January 7, 2

Racicot, 51, who lived in Libby for his first 18 years, promised that the state and federal governments will answer the health concerns of Libby residents, determine the extent of asbestos contamination and do something about it. He also plans to get a chest X-ray.

"The most important thing here is determining facts," he said. "If there is a public health problem or a problem with an individual family or house, they have to get it exposed."

Racicot also said he wants to know whether state health and environmental officials, as some critics have alleged, knew of the danger in Libby and turned a blind eye.

Dr. Michael Spence, the state's chief medical officer, estimated that 300 people in the Libby area have been diagnosed with asbestosis, but he disputed news reports that put the number of asbestos-related deaths at almost 200. He said the number is fewer than 100 statewide.

For Irene Sirey, statistics are less important than the safety of her grandchildren. She recently bought a house and had started renovating it when the asbestos concerns arose. Behind a door in a closet was a blanket of insulation, just like the mineral suspected of being laced with asbestos. The clumpy insulation was seeping from a wall socket.

"I'm very concerned for my grandkids; I have them in the summer," said Sirey, who plans to wait for results of EPA tests on samples taken from her home before continuing with remodeling.

Libby is steeling itself against an image problem that could dampen business recruitment and real estate prices in a town where \$ 75,000 to \$ 90,000 still buys a three-bedroom house.

Irene Loveless of Loveless Realty said three out-of-state clients who anticipated moving here changed their minds immediately after the news coverage.

"What can we tell them, except that until the tests are complete, we don't know if there's any danger?" said Loveless, a 40-year resident.

Off the beaten path, yet still positioned to catch some of the traffic heading to and from Glacier National Park, Libby is prominent on the maps of fishers who come from around the country and abroad, drawn by the Kootenai River's bull trout, westslope cutthroat trout and native rainbows.

If Libby's image takes a hit, it will be short-term, said Gayla Benefield, a leading supporter of the asbestos investigation. Her father was a former Grace mine worker who died in 1974 of asbestos exposure at 62. Benefield said her mother, also deceased, suffered secondary exposure from the asbestos dust that her husband wore home from the mine.

"You've got to weigh the possibility that asbestos contamination is an ongoing situation, and weigh the cost of lives compared to tourist dollars," Benefield said. "If there is a problem, let's find it and solve it."

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**THE WALL STREET JOURNAL**

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The Wall Street Journal

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**HEADLINE:** EPA Plans Asbestos Removal From Homes in Libby, Mont.

**BYLINE:** By Susan Warren

**BODY:**

In an unusual move, the Environmental Protection Agency says it will rip out asbestos-tainted insulation from hundreds of homes in Libby, Mont., because it poses a health hazard to residents.

The EPA is taking the position in Libby because asbestos contamination is spread widely throughout the town. Many townspeople worked in the vermiculite mine there owned by W.R. Grace Co., and discards were used as a soil supplement in residential gardens and schoolyards. With a high rate of asbestos-related illnesses in Libby, the EPA said it wants to eliminate as many sources of exposure as possible.

"These people have just had such a cumulative exposure that we're trying to reduce anything that will make things worse for them," said Jack McGraw, EPA deputy administrator of Region 8, which includes Montana.

Grace and other manufacturers used vermiculite, a mineral, to make insulation from the 1930s through the 1970s.

Despite the Libby decision, the EPA said such a step isn't necessary for millions of homes around the country that contain similar insulation. Agency officials said the EPA is conducting new studies to determine whether the insulation poses a widespread hazard.

Until then, it is sticking to its long-held advice: "For homes outside of Libby, EPA continues to believe that the best strategy for asbestos-containing materials in buildings is to leave it in place, unless removal is necessary to prevent disturbance during renovations," it said in a statement.

The EPA estimated asbestos insulation could be in walls and attics of as many as 30 million homes throughout the country. The agency has long said it is harmless unless it is disturbed, which could release asbestos fibers into the air. When inhaled, asbestos can cause lung disease and an especially deadly form of cancer.

Agency officials took a closer look at the issue after they began an emergency cleanup of Libby in 1999. A December report by an EPA toxicologist labeled the insulation an "imminent and substantial endangerment to public health." Mr. McGraw said even the slightest disturbance of the insulation, such as changing a light bulb, could release asbestos into the air.

EPA Plans Asbestos Removal From Homes in Libby, Mont. The Wall Street Journal May 13, 2002 Monday

Grace, based in Columbia, Md., has conducted its own studies and disputes the danger, saying the insulation contains only minuscule traces of asbestos, far below EPA hazard levels. "Zonolite insulation is safe. We think it's safe in Libby, and we think it's safe everywhere else," said Grace Chief Executive Paul Norris.

Environmental experts say the hazardous-site cleanup law hasn't previously applied to consumer products in private homes.

Grace already is facing a homeowners' lawsuit in Libby over the danger posed by their home insulation. Grace filed for bankruptcy protection last year, citing a flood of asbestos litigation.

The company said the EPA's didn't declare a public health emergency in Libby, showing that it, too, has concluded there isn't scientific or medical evidence to conclude the insulation is dangerous.

**NOTES:**

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